The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Rosneft Requests to Strip Gazprom of Monopoly on Russian Gas Exports

By The Moscow Times

July 22, 2015



An employee turns a valve at a gas compressor station in the village of Boyarka, outside Kiev.

Russia's largest oil producer Rosneft has asked the government to end Gazprom's decade-long exclusive right to export pipeline gas, news agency RIA Novosti reported on Wednesday.

RIA, citing a letter from Rosneft to the Energy Ministry, said Rosneft had also proposed splitting Gazprom into producing and transportation companies — an idea long resisted by Gazprom.

Rosneft and Gazprom, Russia's top energy companies, have been at loggerheads over a number of issues, including gas exporting rights and access to Gazprom's network of pipelines.

The latest Rosneft proposal may signal growing discomfort over its own business situation, which is being hampered by international sanctions over Moscow's role in the Ukraine crisis.

Rosneft is aiming for a 20 percent increase in its hydrocarbon production by 2020.

Rosneft, Gazprom and the Energy Ministry declined to comment on the RIA report. However, in e-mailed comments Rosneft said a discussion of the "gas market model" was under way.

"One of the goals is the creation of an optimal model, which will allow Russia not only to preserve, but to increase its global market share," a company spokesman said, without elaborating.

According to RIA, Rosneft wants to start tests for companies other than Gazprom to export pipeline gas from 2016. The government has already granted approval for Rosneft and Russia's No. 2 gas producer Novatek to export liquefied natural gas in the future.

RIA also said Rosneft had proposed spinning off Gazprom's pipeline business from its upstream division in 2025.

"The conflict of interests within Gazprom, which is a monopoly in transportation services on one hand and which is a largest gas supplier on other hand, should be eliminated."

Original url:
https://www.themoscowtimes.com/2015/07/22/rosneft-requests-to-strip-gazprom-of-monopoly-on-russian-gas-exports-a48467